



Bureau of HIV and STD Prevention

HIV/STD Clinical Resources Division
HIV/STD Epidemiology Division
HIV/STD Health Resources Division

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HIV/STD Policy No. 240.004

SELECTING AND RECOMMENDING AN ADMINISTRATIVE AGENCY

PURPOSE

This policy establishes instructions for consortium on selecting, and then recommending an administrative agency to the Texas Department of Health (TDH).

AUTHORITY

As authorized in the Human Immunodeficiency Virus Services Act, Health and Safety Code, Chapter 85, § 98.21, the TDH provides for the delivery of services to clients through programs operated by the Bureau of HIV and STD Prevention (the Bureau), HIV/STD Health Resources Division (the Division). The Division coordinates all federal and state funds for HIV client services through 26 HIV Service Delivery Area (HSDA) consortia and their administrative agencies.

ADMINISTRATIVE AGENCIES

A lead or administrative agency is authorized to receive funds from the State and distribute them according to the service priorities established by the consortium in its HIV care plan. An administrative agency may be a state or county health department, a community foundation, a public trust, a community-based organization, an AIDS services organization, or an incorporated nonprofit agency. The administrative agency must agree to function in this role for no less than 12 months.

The consortium may not serve as the administrative agency nor may the administrative agency serve as the consortium.

CRITERIA FOR RECOMMENDING AN ADMINISTRATIVE AGENCY

Each consortium must have a clear, written set of criteria to use when evaluating potential administrative agencies. Certain criteria are required by the TDH. The consortium may choose additional criteria. It then develops a request for proposals (RFP) which asks applicants to show that their agency meets or exceeds the following criteria.

General criteria

- Commitment to HIV issues,
- Favorable history of fiscal management and Director's experience (as reported by references),
- Case-flow reserves,

- Favorable history of accountability to a wide array of organizations and funding sources,
- The ability to collect, store, and retrieve services data, and
- Willingness to undergo an independent audit or outside auditing review.

Eligibility criteria

Each agency must meet certain criteria to be eligible. When an agency submits a proposal, the consortium should have a checklist to make sure that the agency fulfills each of the following criteria. The consortium will eliminate from the selection process any agency that does not meet each of these criteria. An agency must:

- Be a governmental, public, or private nonprofit organization in the geographic area and be recognized by the Internal Revenue Service as such;
- Agree to participate in current service plans as established by the consortium;
- Have the capacity to develop and deliver comprehensive outpatient health and support services directly or through subcontractors to meet the needs of HIV-infected individuals and their families in the HSDA;
- Agree to abide by the rules, regulations, and policies of TDH and all applicable laws relating to the delivery of HIV/AIDS services;
- Have a clearly stated mission, measurable program and administrative objectives, and a method to evaluate objectives;
- Agree to abide by the Memorandum of Understanding with the consortium, and to accept fiduciary responsibility for program funding;
- Make administrative support available to the consortium;
- Ensure that all subcontractors have adequate organizational and fiscal accountability systems in place before using their services;
- Seek advice and consent from the consortium on all funding issues related to the consortium's service priorities;
- Provide periodic reports to the consortium on the status of the HIV care plan and services category budget;
- Provide centralized financial and programmatic reporting and record keeping;
- Use generally accepted accounting principles and maintain records of all transactions, keeping them in good order and available for inspection;
- At minimum, carry a fidelity bond or insurance coverage to protect each employee and/or Board member of the agency who handles funds. The fidelity bond or insurance will provide for indemnification of losses due to fraudulent or dishonest acts or failure to account properly for all managed monies and property (General Provisions for TDH Contracts, Article 23, Bonding). These insurance costs are allocable as grant expenses. TDH suggests that in addition to the fidelity bond, administrative agencies develop a risk-management plan which details how the agency assumes, assigns, and/or avoids risk. The agency should indicate the various insurance coverages carried or to be carried if selected. If the agency does not carry or intend to carry the following types of insurance, the agency must explain why such coverage is not necessary:

- General liability,
- Directors and Officers (Board members) liability (not applicable to governmental entities),
- Malpractice coverage for licensed professional on staff,
- Errors and omissions liability, and
- Vehicle coverage on any vehicles used for client services.
- The agency should indicate what policies and procedures they have in place to avoid or reduce liability risk (e.g., personnel policies, infectious disease policy, volunteer manual, etc);
- Agree to convene, at minimum, quarterly meetings of the consortium. This includes obtaining meeting space, notifying members of meeting time and location, and distributing meeting minutes;
- If not a governmental entity, have an active Board of Directors as demonstrated by bylaws, regular meetings with sufficient attendance, complete minutes, a policy and procedures manual, and new member orientation and training. Board members should represent a diversity of communities and skills;
- Have a demonstrated history of program management consistent with Uniform Grants and Contract Management Standards (UGCMS) and cooperation with other health service delivery providers;
- Have personnel policies for adequate personnel management;
- Contract with or employ the services of a CPA, accountant, bookkeeper or qualified financial manager other than the Executive Director, to carry out bookkeeping and accounting functions;
- Have had a fiscal audit performed within the last year and corrected any deficiencies noted in the audit management letter;
- Be an agency in good standing with all of its grantors;
- Demonstrate fiscal solvency (income/expenses statement and balance sheet);
- Have no record, within the last two years, of contract termination due to any type of default or deficiencies in contract performance;
- Have no record, within the last five years, of agency or officer debarment, suspension, or exclusion from Federal assistance programs;
- Provide grants management consistent with UGCMS;
- Have a system to prepare and submit financial reports to TDH upon request; and to review and promptly process invoices and other requests for reimbursement from subcontractors;
- Maintain fiscal records for three years;
- Show commitment to HIV/AIDS-related issues and have a system in place to incorporate the concerns and ideas of consumers (annual consumer satisfaction surveys);
- Actively and periodically solicit clients' opinions regarding satisfaction with services;
- Abide by all existing confidentiality statutes and develop consistent agency policies regarding consumer confidentiality;
- Have procedures to document and resolve client complaints that assure confidentiality;

- Have a plan to make such complaint procedures available to all clients and post them in a prominent place within facilities.

The consortium shall review all submitted proposals using an objective system which was published as part of the RFP. After completing the RFP process, the consortium recommends the chosen agency to TDH. TDH reserves the right to decline contracting with the agency on the basis of financial risk and other considerations.

REVISION (Last reviewed March 8, 2001.)

Entire policy rescinded.